



General Assembly

***Substitute Bill No. 6613***

*January Session, 2005*

\* \_\_\_\_\_HB06613JUD\_\_\_\_050405\_\_\_\_\_\*

***AN ACT ESTABLISHING THE COMMISSION ON PUBLIC INTEGRITY.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. Subsection (d) of section 1-79 of the general statutes is  
2       repealed and the following is substituted in lieu thereof (*Effective July*  
3       *1, 2005*):

4       (d) "Commission" means the [State Ethics] Commission on Public  
5       Integrity established in section 1-80, as amended by this act.

6       Sec. 2. (NEW) (*Effective July 1, 2005*) There shall be an Open  
7       Government Selection Commission consisting of nine members to be  
8       appointed as follows: One member shall be appointed by the speaker  
9       of the House of Representatives, one member by the president pro  
10      tempore of the Senate, one member by the majority leader of the  
11      Senate, one member by the minority leader of the Senate, one member  
12      by the majority leader of the House of Representatives, one member by  
13      the minority leader of the House of Representatives and three  
14      members by the Governor. Members of the commission shall be  
15      electors in this state and shall serve coterminous with their respective  
16      appointing authorities and until their successors are appointed. No  
17      more than five members of said commission shall be members of the  
18      same political party. The Open Government Selection Commission  
19      shall elect its own chairperson and shall be within the Commission on  
20      Public Integrity for administrative purposes only.

21 Sec. 3. Section 1-80 of the general statutes is repealed and the  
22 following is substituted in lieu thereof (*Effective July 1, 2005*):

23 (a) There shall be a [State Ethics] Commission on Public Integrity  
24 consisting of [nine] five members to be appointed by the Open  
25 Government Selection Commission with the advice and consent of the  
26 General Assembly. [One member shall be appointed by the speaker of  
27 the House, one member by the president pro tempore of the Senate,  
28 one member by the majority leader of the Senate, one member by the  
29 minority leader of the Senate, one member by the majority leader of  
30 the House of Representatives, one member by the minority leader of  
31 the House of Representatives and three members by the Governor.]  
32 Members of the commission shall serve for [four-year] five-year terms  
33 which shall commence on [October] July first, except that [members  
34 first appointed shall have the following terms: The Governor shall  
35 appoint two members for a term of three years and one member for a  
36 term of four years; the majority leader of the House or Representatives,  
37 minority leader of the House of Representatives and the speaker of the  
38 House of Representatives shall each appoint one member for a term of  
39 two years; the president pro tempore of the Senate, the majority leader  
40 of the Senate and the minority leader of the Senate shall each appoint  
41 one member for a term of four years] of the members first appointed,  
42 one shall be appointed for a term of one year, one for two years, one  
43 for three years, one for four years and one for five years. No individual  
44 shall be appointed to more than one [four-year] full five-year term as a  
45 member of such commission, provided that members may not  
46 continue in office [until a successor has been appointed and qualified]  
47 once their term has expired. No more than [five] three members shall  
48 be members of the same political party. [The members appointed by  
49 the majority leader of the Senate and the majority leader of the House  
50 of Representatives shall be selected from a list of nominees proposed  
51 by a citizen group having an interest in ethical government. The  
52 majority leader of the Senate and the majority leader of the House of  
53 Representatives shall each determine the citizen group from which  
54 each will accept such nominations. On and after October 1, 2004, one

55 member appointed by the Governor shall be selected from a list of  
56 nominees proposed by a citizen group having an interest in ethical  
57 government. The Governor shall determine the citizen group from  
58 which the Governor will accept such nominations.]

59 (b) All members of the commission shall be electors of the state. No  
60 member or employee of such commission shall (1) hold or campaign  
61 for any public office; (2) have held public office or have been a  
62 candidate for public office for a three-year period prior to  
63 appointment; (3) hold office in any political party or political  
64 committee or be a member of any organization or association  
65 organized primarily for the purpose of influencing legislation or  
66 decisions of public agencies; or (4) be an individual who is a registrant  
67 as defined in subsection (q) of section 1-91.

68 (c) Any vacancy on the commission shall be filled for the unexpired  
69 portion of the term by the [appointing authority having the power to  
70 make the original appointment] Open Government Selection  
71 Commission. An individual selected by the [appointing authority]  
72 Open Government Selection Commission to fill a vacancy shall be  
73 eligible for appointment to one full [four-year] five-year term  
74 thereafter. Any vacancy occurring on the commission shall be filled  
75 within thirty days.

76 (d) The commission shall elect a chairperson who shall, except as  
77 provided in subsection (b) of section 1-82, as amended by this act, and  
78 subsection (b) of section 1-93, as amended by this act, preside at  
79 meetings of the commission and a vice-chairperson to preside in the  
80 absence of the chairperson. [Six members] A majority of the  
81 commission shall constitute a quorum. Except as provided in  
82 subdivision (3) of subsection (a) of section 1-81, as amended by this act,  
83 subsections (a) and (b) of section 1-82, as amended by this act,  
84 subsection (b) of section 1-88, as amended by this act, subdivision (5) of  
85 section 1-92, as amended by this act, subsections (a) and (b) of section  
86 1-93, as amended by this act, and subsection (b) of section 1-99, a  
87 majority vote of the [quorum] members present shall be required for

88 action of the commission. The chairperson or any [five] three members  
89 may call a meeting.

90 (e) Any matter before the commission, except hearings held  
91 pursuant to the provisions of subsection (b) of section 1-82, as  
92 amended by this act, or subsection (b) of section 1-93, as amended by  
93 this act, may be assigned by the commission to two of its members to  
94 conduct an investigation or hearing, as the case may be, to ascertain  
95 the facts and report thereon to the commission with a recommendation  
96 for action.

97 (f) Members of the commission shall be compensated at the rate of  
98 [fifty] one hundred dollars per day for each day they attend a meeting  
99 or hearing and shall receive reimbursement for their necessary  
100 expenses incurred in the discharge of their official duties.

101 (g) The commission shall not be construed to be a board or  
102 commission within the meaning of section 4-9a, as amended by this  
103 act.

104 (h) The members and employees of the [State Ethics] Commission  
105 on Public Integrity shall adhere to the following code of ethics under  
106 which the members and employees shall: (1) Observe high standards  
107 of conduct so that the integrity and independence of the [State Ethics]  
108 Commission on Public Integrity may be preserved; (2) respect and  
109 comply with the law and conduct themselves at all times in a manner  
110 which promotes public confidence in the integrity and impartiality of  
111 the commission; (3) be faithful to the law and maintain professional  
112 competence in the law; (4) be unswayed by partisan interests, public  
113 clamor or fear of criticism; (5) maintain order and decorum in  
114 proceedings of the commission; (6) be patient, dignified and courteous  
115 to all persons who appear in commission proceedings and with other  
116 persons with whom the members and employees deal in their official  
117 capacities; (7) refrain from making any statement outside of a  
118 commission proceeding, which would have a likelihood of prejudicing  
119 a commission proceeding; (8) refrain from making any statement

120 outside of a commission proceeding that a reasonable person would  
121 expect to be disseminated by means of public communication if the  
122 member or employee should know that such statement would have a  
123 likelihood of materially prejudicing or embarrassing a complainant or  
124 a respondent; (9) preserve confidences of complainants and  
125 respondents; (10) exercise independent professional judgment on  
126 behalf of the commission; and (11) represent the commission  
127 competently.

128 (i) No member or employee of the commission may make a  
129 contribution, as defined in section 9-333b, to any person subject to the  
130 provisions of this part.

131 (j) Members of the commission shall recuse themselves from  
132 participating in any proceeding or matter undertaken pursuant to this  
133 chapter that involves the person who appointed such member to the  
134 commission.

135 (k) No member of the commission may represent any business or  
136 person, other than themselves, before the commission for a period of  
137 one year following the end of such member's service on the  
138 commission. No business or person that appears before the  
139 commission shall employ or otherwise engage the services of a former  
140 member of the commission for a period of one year following the end  
141 of such former member's service on the commission.

142 (l) No member of the commission may hold any other position in  
143 state employment for a period of one year following the end of such  
144 member's service on the commission, including but not limited to,  
145 service as a member on a state board or commission, service as a judge  
146 of the Superior Court or service as a state agency commissioner.

147 (m) Upon request of any person, the commission shall delay the  
148 effect of any decision rendered by such commission for a period not to  
149 exceed more than seven days following the rendering of such decision.

150 Sec. 4. Section 1-81 of the general statutes is repealed and the

151 following is substituted in lieu thereof (*Effective July 1, 2005*):

152 (a) The commission shall:

153 (1) Compile and maintain an index of all reports, advisory opinions,  
154 memoranda filed under the provisions of subsection (f) of section 1-82a  
155 and statements filed by and with the commission to facilitate public  
156 access to such reports and statements as provided by this part;

157 (2) Preserve advisory opinions permanently; preserve memoranda  
158 filed under subsection (f) of section 1-82a, and statements and reports  
159 filed by and with the commission for a period of five years from the  
160 date of receipt;

161 (3) Upon the concurring vote of [five] a majority of its members  
162 present and voting, issue advisory opinions with regard to the  
163 requirements of this part, upon the request of any person subject to the  
164 provisions of this part, and publish such advisory opinions in the  
165 Connecticut Law Journal. Advisory opinions rendered by the  
166 commission, until amended or revoked, shall be binding on the  
167 commission and shall be deemed to be final decisions of the  
168 commission for purposes of section 1-87. Any advisory opinion  
169 concerning the person who requested the opinion and who acted in  
170 reliance thereon, in good faith, shall be binding upon the commission,  
171 and it shall be an absolute defense in any criminal action brought  
172 under the provisions of this part, that the accused acted in reliance  
173 upon such advisory opinion;

174 (4) Report annually, prior to April fifteenth, to the Governor  
175 summarizing the activities of the commission; [and]

176 (5) Adopt regulations in accordance with chapter 54 to carry out the  
177 purposes of this part;

178 (6) Make legislative recommendations to the General Assembly; and

179 (7) Meet monthly with the commission's executive director, ethics  
180 general counsel and ethics enforcement officer.

181 (b) The commission [may] shall employ an executive director, [and]  
182 a general counsel and an ethics enforcement officer and an ethics  
183 training and public information officer, each of whom shall be exempt  
184 from classified state service. No one person may serve in more than  
185 one of the positions described in this subsection. The commission may  
186 employ necessary staff within available appropriations.

187 (c) The executive director, described in subsection (b) of this section,  
188 shall be appointed by the commission and shall be responsible for the  
189 efficient administration of the commission's operations. The  
190 commission shall annually evaluate the performance of such executive  
191 director and may remove the executive director, after consultation  
192 with the Attorney General, for good cause shown.

193 (d) The general counsel and the ethics enforcement officer,  
194 described in subsection (b) of this section, shall each be appointed by  
195 the executive director of the commission after consultation with the  
196 commission. The ethics training and public information officer,  
197 described in subsection (b) of this section, shall be appointed by the  
198 general counsel of the commission after consultation with the  
199 commission. The executive director shall annually evaluate the  
200 performance of the general counsel, the ethics enforcement officer and  
201 the ethics training and public information officer and may remove the  
202 general counsel, the ethics enforcement officer or the training and  
203 public information officer for good cause shown.

204 (e) There shall be a legal division within the commission. The legal  
205 division shall provide the commission with legal advice on matters  
206 before said commission and shall represent the commission in all  
207 matters in which the commission is a party, without the assistance of  
208 the Attorney General unless the commission requests such assistance.  
209 The ethics training and public information officer shall be within such  
210 division and shall, under the direction of the general counsel, provide  
211 information and written and verbal opinions to persons subject to the  
212 code and to the general public. The general counsel, described in  
213 subsection (b) of this section, shall supervise such division. No

214 information received by the legal division may be used to investigate  
215 or instigate a complaint.

216 (f) There shall be an enforcement division within the commission.  
217 The enforcement division shall be responsible for investigating  
218 complaints brought to or by the commission. The ethics enforcement  
219 officer, described in subsection (b) of this section, shall supervise such  
220 division. The division shall employ such attorneys and investigators,  
221 as necessary, within available appropriations. The division may refer  
222 matters to the office of the Chief State's Attorney as appropriate. Such  
223 division shall review all appeals from any decision rendered by a  
224 municipal ethics commission and all appeals alleging a failure of a  
225 municipal ethics commission to properly render a decision and such  
226 division shall advise the commission on the merits of hearing each  
227 such appeal.

228 (g) Upon request, the ethics training and public information officer  
229 shall provide training on the code of ethics to individuals or entities  
230 that are subject to the code, including, but not limited to, state  
231 agencies.

232 Sec. 5. Section 1-81a of the general statutes is repealed and the  
233 following is substituted in lieu thereof (*Effective July 1, 2005*):

234 (a) Notwithstanding any provision of the general statutes, the  
235 appropriations recommended for the [State Ethics] Commission on  
236 Public Integrity, as established in section 1-80, as amended by this act,  
237 shall be the estimates of expenditure requirements transmitted to the  
238 Secretary of the Office of Policy and Management by the [executive  
239 director of the] commission and the recommended adjustments and  
240 revisions of such estimates shall be the recommended adjustments and  
241 revisions, if any, transmitted by said [executive director] commission  
242 to the Office of Policy and Management.

243 (b) Notwithstanding any provision of the general statutes, the  
244 Governor shall not reduce allotment requisitions or allotments in force  
245 concerning the [State Ethics] Commission on Public Integrity.



246 Sec. 6. Section 1-81b of the general statutes is repealed and the  
247 following is substituted in lieu thereof (*Effective July 1, 2005*):

248 The [State Ethics] Commission on Public Integrity shall develop a  
249 plain language summary of state ethics laws concerning (1) persons,  
250 firms and corporations submitting bids or proposals for state contracts,  
251 and (2) state contractors. The commission shall publish said summary  
252 on the commission's web site.

253 Sec. 7. Section 1-82 of the general statutes is repealed and the  
254 following is substituted in lieu thereof (*Effective July 1, 2005*):

255 (a) (1) Upon the complaint of any person on a form prescribed by  
256 the commission, signed under penalty of false statement, or upon [its  
257 own] complaint of the ethics enforcement officer, the [commission]  
258 ethics enforcement officer shall investigate any alleged violation of this  
259 part. Not later than five days after the receipt or issuance of such  
260 complaint, the commission shall provide notice of such receipt or  
261 issuance and a copy of the complaint by registered or certified mail to  
262 any respondent against whom such complaint is filed and shall  
263 provide notice of the receipt of such complaint to the complainant.  
264 When the [commission] ethics enforcement officer undertakes an  
265 evaluation of a possible violation of this part prior to the filing of a  
266 complaint by the [commission] ethics enforcement officer, the subject  
267 of the evaluation shall be notified within five business days after a  
268 commission staff member's first contact with a third party concerning  
269 the matter.

270 (2) The ethics enforcement officer may bring any alleged violation of  
271 this part before a judge trial referee assigned by the Chief Court  
272 Administrator for such purpose for a probable cause hearing. Such  
273 judge trial referee shall be compensated in accordance with the  
274 provisions of section 52-434 from such funds as may be available to the  
275 commission. In the conduct of [its investigation] a hearing on of an  
276 alleged violation of this part, the [commission] judge trial referee shall  
277 have the power to [hold hearings,] administer oaths, examine

278 witnesses, receive oral and documentary evidence, subpoena witnesses  
279 under procedural rules adopted by the commission as regulations in  
280 accordance with the provisions of chapter 54 to compel attendance  
281 before the [commission] judge trial referee and to require the  
282 production for examination by the [commission] judge trial referee of  
283 any books and papers which the [commission] judge trial referee  
284 deems relevant in any matter under investigation or in question. In the  
285 exercise of such powers, the [commission] judge trial referee may use  
286 the services of the state police, who shall provide the same upon the  
287 [commission's] judge trial referee's request. The [commission] judge  
288 trial referee shall [make] cause a record to be made of all proceedings  
289 conducted pursuant to this subsection. Any witness summoned before  
290 the [commission] judge trial referee shall receive the witness fee paid  
291 to witnesses in the courts of this state. During the [investigation]  
292 hearing the respondent shall have the right to appear and be heard and  
293 to offer any information which may tend to clear him of probable  
294 cause to believe he has violated any provision of this part. The  
295 respondent shall also have the right to be represented by legal counsel  
296 and to examine and cross-examine witnesses. Not later than ten days  
297 prior to the commencement of any hearing conducted pursuant to this  
298 subsection, the [commission] ethics enforcement officer shall provide  
299 the respondent with a list of its intended witnesses. [The commission  
300 shall make no finding that there is probable cause to believe the  
301 respondent is in violation of any provision of this part except upon the  
302 concurring vote of five of its members.] In the event that a judge trial  
303 referee makes a finding of no probable cause not later than thirty days  
304 after receipt or issuance of any complaint under this subsection, any  
305 such alleged violation contained within such complaint shall be  
306 dismissed and no further action shall be taken by the commission on  
307 such allegation.

308 (b) If [a preliminary investigation indicates] such judge trial referee  
309 finds that probable cause exists for the violation of a provision of this  
310 part, the commission shall refer the matter to a judge trial referee who  
311 shall initiate hearings to determine whether there has been a violation

312 of this part. [A] Such judge trial referee, [who shall be assigned by the  
313 Chief Court Administrator and who shall be compensated in  
314 accordance with section 52-434 out of funds available to the  
315 commission,] shall preside over such hearing and shall rule on all  
316 matters concerning the application of the rules of evidence, which shall  
317 be the same as in judicial proceedings. The judge trial referee shall  
318 have no vote in any decision of the commission. All hearings [of the  
319 commission] held pursuant to this subsection shall be open. At such  
320 hearing the commission shall have the same powers as such judge trial  
321 referee under subsection (a) of this section and the respondent shall  
322 have the right to be represented by legal counsel, the right to compel  
323 attendance of witnesses and the production of books, documents,  
324 records and papers and to examine and cross-examine witnesses. Not  
325 later than ten days prior to the commencement of any hearing  
326 conducted pursuant to this subsection, the commission shall provide  
327 the respondent with a list of its intended witnesses. The judge trial  
328 referee shall, while engaged in the discharge of his duties as provided  
329 in this subsection, have the same authority as is provided in section 51-  
330 35 over witnesses who refuse to obey a subpoena or to testify with  
331 respect to any matter upon which such witness may be lawfully  
332 interrogated, and may commit any such witness for contempt for a  
333 period no longer than thirty days. The commission shall make a record  
334 of all proceedings pursuant to this subsection. The commission shall  
335 find no person in violation of any provision of this part except upon  
336 the concurring vote of [seven] two-thirds of its members. Any such  
337 finding may not be issued more than ninety days after a finding of  
338 probable cause by a judge trial referee. Not later than fifteen days after  
339 the public hearing conducted in accordance with this subsection, the  
340 commission shall publish its finding and a memorandum of the  
341 reasons therefor. Such finding and memorandum shall be deemed to  
342 be the final decision of the commission on the matter for the purposes  
343 of chapter 54. The respondent, if aggrieved by the finding and  
344 memorandum, may appeal therefrom to the Superior Court in  
345 accordance with the provisions of section 4-183.

346 (c) If the [commission] judge trial referee finds, after a hearing  
347 pursuant to this section, that there is no probable cause to believe that  
348 a public official or state employee has violated a provision of this part  
349 or the commission finds that a public official or state employee has not  
350 violated any such provision, or if a court of competent jurisdiction  
351 overturns a finding by the commission of a violation by such a  
352 respondent, the state shall pay the reasonable legal expenses of the  
353 respondent as determined by the Attorney General or by the court if  
354 appropriate. If any complaint brought under the provisions of this part  
355 is made with the knowledge that it is made without foundation in fact,  
356 the respondent shall have a cause of action against the complainant for  
357 double the amount of damage caused thereby and if the respondent  
358 prevails in such action, he may be awarded by the court the costs of  
359 such action together with reasonable attorneys' fees.

360 (d) No complaint may be made under this section except within five  
361 years next after the violation alleged in the complaint has been  
362 committed.

363 (e) No person shall take or threaten to take official action against an  
364 individual for such individual's disclosure of information to the  
365 commission under the provisions of this part. After receipt of  
366 information from an individual under the provisions of this part, the  
367 commission shall not disclose the identity of such individual without  
368 his consent unless the commission determines that such disclosure is  
369 unavoidable during the course of an investigation.

370 Sec. 8. Subsection (a) of section 1-82a of the general statutes is  
371 repealed and the following is substituted in lieu thereof (*Effective July*  
372 *1, 2005*):

373 (a) Unless the [commission] judge trial referee makes a finding of  
374 probable cause, a complaint alleging a violation of this part shall be  
375 confidential except upon the request of the respondent. A commission  
376 evaluation of a possible violation of this part prior to the filing of a  
377 complaint by the commission shall be confidential except upon the

378 request of the subject of the evaluation. If the evaluation is  
379 confidential, any information supplied to or received from the  
380 commission shall not be disclosed to any third party by a subject of the  
381 evaluation, a person contacted for the purpose of obtaining  
382 information or by a commission or staff member. [No provision of this  
383 subsection shall prevent the Ethics Commission from reporting] The  
384 Commission on Public Integrity shall report any matter in which it  
385 finds the possible commission of a crime to the Chief State's Attorney  
386 or other prosecutorial authority.

387 Sec. 9. Section 1-83 of the general statutes is repealed and the  
388 following is substituted in lieu thereof (*Effective July 1, 2005*):

389 (a) (1) All state-wide elected officers, members of the General  
390 Assembly, department heads and their deputies, members of the  
391 Gaming Policy Board, the executive director of the Division of Special  
392 Revenue within the Department of Revenue Services, members or  
393 directors of each quasi-public agency, members of the Investment  
394 Advisory Council, state marshals and such members of the Executive  
395 Department and such employees of quasi-public agencies as the  
396 Governor shall require, shall file, under penalty of false statement, a  
397 statement of financial interests for the preceding calendar year with the  
398 commission on or before the May first next in any year in which they  
399 hold such a position. Any such individual who leaves his or her office  
400 or position shall file a statement of financial interests covering that  
401 portion of the year during which such individual held his or her office  
402 or position. The commission shall notify such individuals of the  
403 requirements of this subsection within thirty days after their departure  
404 from such office or position. Such individuals shall file such statement  
405 within sixty days after receipt of the notification.

406 (2) Each state agency, department, board and commission shall  
407 develop and implement, in cooperation with the [Ethics] Commission  
408 on Public Integrity, an ethics statement as it relates to the mission of  
409 the agency, department, board or commission. The executive head of  
410 each such agency, department, board or commission shall be directly

411 responsible for the development and enforcement of such ethics  
412 statement and shall file a copy of such ethics statement with the  
413 Department of Administrative Services and the [Ethics] Commission  
414 on Public Integrity.

415 (b) (1) The statement of financial interests, except as provided in  
416 subdivision (2) of this subsection, shall include the following  
417 information for the preceding calendar year in regard to the individual  
418 required to file the statement and the individual's spouse and  
419 dependent children residing in the individual's household: (A) The  
420 names of all businesses with which associated; (B) the category or type  
421 of all sources of income in excess of one thousand dollars, without  
422 specifying amounts of income; (C) the name of securities in excess of  
423 five thousand dollars at fair market value owned by such individual,  
424 spouse or dependent children or held in the name of a corporation,  
425 partnership or trust for the benefit of such individual, spouse or  
426 dependent children; (D) the existence of any known blind trust and the  
427 names of the trustees; (E) all real property and its location, whether  
428 owned by such individual, spouse or dependent children or held in the  
429 name of a corporation, partnership or trust for the benefit of such  
430 individual, spouse or dependent children; (F) the names and addresses  
431 of creditors to whom the individual, the individual's spouse or  
432 dependent children, individually, owed debts of more than ten  
433 thousand dollars; (G) any leases or contracts with the state held or  
434 entered into by the individual or a business with which he or she was  
435 associated; and (H) a description of any partnership, joint ownership  
436 or similar business affiliation between (i) a business included under  
437 subparagraph (A) of this subdivision with which the individual filing  
438 the statement, the individual's spouse or a dependent child of the  
439 individual is associated, and (ii) a lobbyist, a person that the individual  
440 filing the statement knows or has reason to know is doing business  
441 with or seeking to do business with the state or is engaged in activities  
442 that are directly regulated by the department or agency in which the  
443 individual is employed, or a business with which such lobbyist or  
444 person is associated.

445 (2) The statement of financial interests filed by state marshals shall  
446 include only amounts and sources of income earned in their capacity  
447 as state marshals.

448 (c) The statement of financial interests filed pursuant to this section  
449 shall be a matter of public information, except the list of names, filed in  
450 accordance with subparagraph (F) of subdivision (1) of subsection (b)  
451 of this section shall be sealed and confidential and for the use of the  
452 commission only after a complaint has been filed under section 1-82, as  
453 amended by this act, and such complaint has been determined by a  
454 vote of the commission to be of sufficient merit and gravity to justify  
455 the unsealing of such list or lists and not open to public inspection  
456 unless the respondent requests otherwise. If the commission reports its  
457 findings to the Chief State's Attorney in accordance with subsection (c)  
458 of section 1-88, as amended by this act, the commission shall turn over  
459 to the Chief State's Attorney such relevant information contained in the  
460 statement as may be germane to the specific violation or violations or a  
461 prosecutorial official may subpoena such statement in a criminal  
462 action. Unless otherwise a matter of public record, the [Ethics]  
463 Commission on Public Integrity shall not disclose to the public any  
464 such subpoena which would be exempt from disclosure by the issuing  
465 agency.

466 (d) Any individual who is unable to provide information required  
467 under the provisions of subdivision (1) of subsection (b) of this section  
468 by reason of impossibility may petition the commission for a waiver of  
469 the requirements.

470 Sec. 10. Section 1-84b of the general statutes is repealed and the  
471 following is substituted in lieu thereof (*Effective July 1, 2005*):

472 (a) No former executive branch or quasi-public agency public  
473 official or state employee shall represent anyone other than the state,  
474 concerning any particular matter (1) in which he participated  
475 personally and substantially while in state service, and (2) in which the  
476 state has a substantial interest.

477 (b) No former executive branch or quasi-public agency public  
478 official or state employee shall, for one year after leaving state service,  
479 represent anyone, other than the state, for compensation before the  
480 department, agency, board, commission, council or office in which he  
481 served at the time of his termination of service, concerning any matter  
482 in which the state has a substantial interest. The provisions of this  
483 subsection shall not apply to an attorney who is a former employee of  
484 the Division of Criminal Justice, with respect to any representation in a  
485 matter under the jurisdiction of a court.

486 (c) The provisions of this subsection apply to present or former  
487 executive branch public officials or state employees who hold or  
488 formerly held positions which involve significant decision-making or  
489 supervisory responsibility and are designated as such by the [State  
490 Ethics] Commission on Public Integrity in consultation with the agency  
491 concerned except that such provisions shall not apply to members or  
492 former members of the boards or commissions who serve ex officio,  
493 who are required by statute to represent the regulated industry or who  
494 are permitted by statute to have a past or present affiliation with the  
495 regulated industry. Designation of positions subject to the provisions  
496 of this subsection shall be by regulations adopted by the [State Ethics]  
497 Commission on Public Integrity in accordance with chapter 54. As  
498 used in this subsection, "agency" means the Office of Health Care  
499 Access, the Connecticut Siting Council, the Department of Banking, the  
500 Insurance Department, the Department of Public Safety, the office  
501 within the Department of Consumer Protection that carries out the  
502 duties and responsibilities of sections 30-2 to 30-68m, inclusive, the  
503 Department of Public Utility Control, including the Office of  
504 Consumer Counsel, the Division of Special Revenue and the Gaming  
505 Policy Board and the term "employment" means professional services  
506 or other services rendered as an employee or as an independent  
507 contractor.

508 (1) No public official or state employee, in an executive branch  
509 position designated by the [State Ethics] Commission on Public  
510 Integrity shall negotiate for, seek or accept employment with any



511 business subject to regulation by his agency.

512 (2) No former public official or state employee who held such a  
513 position in the executive branch shall within one year after leaving an  
514 agency, accept employment with a business subject to regulation by  
515 that agency.

516 (3) No business shall employ a present or former public official or  
517 state employee in violation of this subsection.

518 (d) The provisions of subsection (e) of this section apply to (1)  
519 present or former Gaming Policy Board or Division of Special Revenue  
520 public officials or state employees who hold or formerly held positions  
521 which involve significant decision-making or supervisory  
522 responsibility and are designated as such by the [State Ethics]  
523 Commission on Public Integrity, in consultation with the agency  
524 concerned, and (2) present or former public officials or state employees  
525 of other agencies who hold or formerly held positions which involve  
526 significant decision-making or supervisory responsibility concerning  
527 the regulation or investigation of (A) any business entity (i) engaged in  
528 Indian gaming operations in the state, and (ii) in which a federally-  
529 recognized Indian tribe in the state owns a controlling interest, or (B) a  
530 governmental agency of a federally-recognized Indian tribe engaged in  
531 Indian gaming operations in the state, which positions are designated  
532 as such by the [State Ethics] Commission on Public Integrity, in  
533 consultation with the agency concerned. Designation of positions  
534 subject to the provisions of this subsection shall be by regulations  
535 adopted by the [State Ethics] Commission on Public Integrity in  
536 accordance with chapter 54. As used in subsection (e) of this section,  
537 the term "employment" means professional services or other services  
538 rendered as an employee or as an independent contractor.

539 (e) (1) No Gaming Policy Board or Division of Special Revenue  
540 public official or state employee or other public official or state  
541 employee described in subdivision (2) of subsection (d) of this section,  
542 in a position designated by the [State Ethics] Commission on Public

543 Integrity, shall negotiate for, seek or accept employment with (A) a  
544 business entity (i) engaged in Indian gaming operations in the state,  
545 and (ii) in which a federally-recognized Indian tribe in the state owns a  
546 controlling interest, or (B) a governmental agency of a federally-  
547 recognized Indian tribe engaged in Indian gaming operations in the  
548 state.

549 (2) No former Gaming Policy Board or Division of Special Revenue  
550 public official or state employee or other former public official or state  
551 employee described in subdivision (2) of subsection (d) of this section,  
552 who held such a position shall, within two years after leaving such  
553 agency, accept employment with (A) a business entity (i) engaged in  
554 Indian gaming operations in the state, and (ii) in which a federally-  
555 recognized Indian tribe in the state owns a controlling interest, or (B) a  
556 governmental agency of a federally-recognized Indian tribe engaged in  
557 Indian gaming operations in the state.

558 (f) No former public official or state employee (1) who participated  
559 substantially in the negotiation or award of (A) a state contract valued  
560 at an amount of fifty thousand dollars or more, or (B) a written  
561 agreement for the approval of a payroll deduction slot described in  
562 section 3-123g, or (2) who supervised the negotiation or award of such  
563 a contract or agreement, shall accept employment with a party to the  
564 contract or agreement other than the state for a period of one year after  
565 his resignation from his state office or position if his resignation occurs  
566 less than one year after the contract or agreement is signed.

567 (g) No member or director of a quasi-public agency who  
568 participates substantially in the negotiation or award of a contract  
569 valued at an amount of fifty thousand dollars or more, or who  
570 supervised the negotiation or award of such a contract, shall seek,  
571 accept, or hold employment with a party to the contract for a period of  
572 one year after the signing of the contract.

573 [(h) The regulations required to implement the provisions of  
574 subsection (c) of this section may be adopted by the State Ethics

575 Commission prior to January 7, 1987, but may not take effect prior to  
576 that date.]

577 [(i)] (h) The provisions of subsections (a), (b) and (f) of this section  
578 shall not apply to any employee of a quasi-public agency who leaves  
579 such agency before July 1, 1989.

580 [(j)] (i) No Treasurer who authorizes, negotiates or renegotiates a  
581 contract for investment services valued at an amount of fifty thousand  
582 dollars or more shall negotiate for, seek or accept employment with a  
583 party to the contract prior to one year after the end of the Treasurer's  
584 term of office within which such contract for investment services was  
585 authorized, negotiated or renegotiated by such Treasurer.

586 Sec. 11. Subsection (c) of section 1-86 of the general statutes is  
587 repealed and the following is substituted in lieu thereof (*Effective July*  
588 *1, 2005*):

589 (c) No person required to register with the [State Ethics]  
590 Commission on Public Integrity under section 1-94 shall accept  
591 employment with the General Assembly or with any member of the  
592 General Assembly in connection with legislative action, as defined in  
593 section 1-91, as amended by this act. No member of the General  
594 Assembly shall be a lobbyist.

595 Sec. 12. Section 1-86d of the general statutes is repealed and the  
596 following is substituted in lieu thereof (*Effective July 1, 2005*):

597 (a) Any public official or state employee who establishes a legal  
598 defense fund, or for whom a legal defense fund has been established,  
599 shall file a report on said fund with the [State Ethics] Commission on  
600 Public Integrity not later than the tenth day of January, April, July and  
601 October. Each such report shall include the following information for  
602 the preceding calendar quarter: (1) The names of the directors and  
603 officers of the fund, (2) the name of the depository institution for the  
604 fund, (3) an itemized accounting of each contribution to the fund,  
605 including the full name and complete address of each contributor and

606 the amount of the contribution, and (4) an itemized accounting of each  
607 expenditure, including the full name and complete address of each  
608 payee and the amount and purpose of the expenditure. The public  
609 official or state employee shall sign each such report under penalty of  
610 false statement. The provisions of this subsection shall not apply to any  
611 person who has made a contribution to a legal defense fund before  
612 June 3, 2004.

613 (b) (1) In addition to the prohibitions on gifts under subsections (j)  
614 and (m) of section 1-84 and subsection (a) of section 1-97, no public  
615 official or state employee shall accept, directly or indirectly, any  
616 contribution to a legal defense fund established by or for the public  
617 official or state employee, from (A) a member of the immediate family  
618 of any person who is prohibited from giving a gift under subsection (j)  
619 or (m) of section 1-84 or subsection (a) of section 1-97, or (B) a person  
620 who is appointed by said public official or state employee to serve on a  
621 paid, full-time basis. No person described in subparagraph (A) or (B)  
622 of this subdivision shall make a contribution to such a legal defense  
623 fund, and no such person or any person prohibited from making a gift  
624 under subsection (j) or (m) of section 1-84 or subsection (a) of section 1-  
625 97 shall solicit a contribution for such a legal defense fund.

626 (2) A public official or state employee may accept a contribution or  
627 contributions to a legal defense fund established by or for the public  
628 official or state employee from any other person, provided the total  
629 amount of such contributions from any such person in any calendar  
630 year shall not exceed one thousand dollars. No such person shall make  
631 a contribution or contributions to said legal defense fund exceeding  
632 one thousand dollars in any calendar year. The provisions of this  
633 subdivision shall not apply in 2004, to any person who has made a  
634 contribution or contributions to a legal defense fund exceeding one  
635 thousand dollars in 2004, before June 3, 2004, provided said legal  
636 defense fund shall not accept any additional contributions from such  
637 person in 2004, and such person shall not make any additional  
638 contributions to said fund in 2004.

(3) Notwithstanding the provisions of subdivision (2) of this subsection, a public official or state employee may accept a contribution or contributions, in any amount, to a legal defense fund established by or for the public official or state employee from a relative of the public official or state employee or a person whose relationship with the public official or state employee is not dependent on the official's or employee's status as a public official or state employee. The factors that the [State Ethics] Commission on Public Integrity shall consider in determining whether a person's relationship is so dependent shall include, but not be limited to, whether the person may be able to benefit from the exercise of official authority of the public official or state employee and whether the person made gifts to the public official or state employee before the official or employee began serving in such office or position.

Sec. 13. Section 1-89a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2005*):

(a) In each odd-numbered calendar year, the [State Ethics] Commission on Public Integrity, the Connecticut Humanities Council and the Joint Committee on Legislative Management shall conduct a conference on ethical issues affecting members of the General Assembly and lobbyists.

(b) In each even-numbered calendar year, the [State Ethics] Commission on Public Integrity shall conduct a conference on ethical issues affecting executive branch and quasi-public agency public officials and state employees.

Sec. 14. Subsection (c) of section 1-91 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2005*):

(c) "Commission" means the [State Ethics] Commission on Public Integrity established under section 1-80, as amended by this act.

Sec. 15. Subdivision (5) of section 1-92 of the general statutes is

670 repealed and the following is substituted in lieu thereof (*Effective July*  
671 *1, 2005*):

672 (5) Upon the concurring vote of [five] a majority of its members  
673 present and voting, issue advisory opinions with regard to the  
674 requirements of this part, upon the request of any person, subject to  
675 the provisions of this part, and publish such advisory opinions in the  
676 Connecticut Law Journal. Advisory opinions rendered by the  
677 commission, until amended or revoked, shall be binding on the  
678 commission and a judge trial referee conducting a hearing pursuant to  
679 section 1-93, as amended by this act, as applicable, and shall be  
680 deemed to be final decisions of the commission for purposes of section  
681 1-98. Any advisory opinion concerning any person subject to the  
682 provisions of this part who requested the opinion and who acted in  
683 reliance thereon, in good faith, shall be binding upon the commission  
684 and any judge trial referee conducting a hearing pursuant to section 1-  
685 93, as amended by this act, as applicable, and it shall be an absolute  
686 defense in any criminal action brought under the provisions of this  
687 part that the accused acted in reliance upon such advisory opinion.

688 Sec. 16. Subsections (a) and (b) of section 1-93 of the general statutes  
689 are repealed and the following is substituted in lieu thereof (*Effective*  
690 *July 1, 2005*):

691 (a) (1) Upon the complaint of any person on a form prescribed by  
692 the commission, signed under penalty of false statement, or upon [its  
693 own complaint, the commission] complaint of the ethics enforcement  
694 officer, such ethics enforcement officer shall investigate any alleged  
695 violation of this part. Not later than five days after the receipt or  
696 issuance of such complaint, the commission shall provide notice of  
697 such receipt or issuance and a copy of the complaint by registered or  
698 certified mail to any respondent against whom such complaint is filed  
699 and shall provide notice of the receipt of such complaint to the  
700 complainant. When the [commission] ethics enforcement officer  
701 undertakes an evaluation of a possible violation of this part prior to the  
702 filing of a complaint by [the commission] such officer, the subject of

703 the evaluation shall be notified within five business days after a  
704 commission staff member's first contact with a third party concerning  
705 the matter.

706 (2) The ethics enforcement officer may bring any alleged violation of  
707 this part before a judge trial referee, selected by the Chief Court  
708 Administrator for such purpose, for a probable cause hearing. Such  
709 judge trial referee shall be compensated in accordance with the  
710 provisions of section 52-434 from the any funds available to the  
711 commission. In the conduct of [its investigation of] any such hearing  
712 on an alleged violation of this part, [the commission] a judge trial  
713 referee shall have the power to [hold hearings,] administer oaths,  
714 examine witnesses, receive oral and documentary evidence, subpoena  
715 witnesses under procedural rules adopted by the commission as  
716 regulations in accordance with the provisions of chapter 54 to compel  
717 attendance before [the commission] such judge trial referee and to  
718 require the production for examination by [the commission] such  
719 judge trial referee of any books and papers which the [commission]  
720 judge trial referee deems relevant in any matter under investigation or  
721 in question. In the exercise of such powers, the [commission] judge  
722 trial referee may use the services of the state police, who shall provide  
723 the same upon [the commission's] such judge trial referee's request.  
724 [The commission] Such judge trial referee shall [make a record] cause a  
725 record to be made of all proceedings conducted pursuant to this  
726 subsection. Any witness summoned before [the commission] such  
727 judge trial referee shall receive the witness fee paid to witnesses in the  
728 courts of this state. The respondent shall have the right to appear and  
729 be heard and to offer any information which may tend to clear him of  
730 probable cause to believe he has violated any provision of this part.  
731 The respondent shall also have the right to be represented by legal  
732 counsel and to examine and cross-examine witnesses. Not later than  
733 ten days prior to the commencement of any hearing conducted  
734 pursuant to this subsection, the [commission] ethics enforcement  
735 officer shall provide the respondent with a list of its intended  
736 witnesses. [The commission shall make no finding that there is

737 probable cause to believe the respondent is in violation of this part,  
738 except upon the concurring vote of five of its members.] In the event  
739 that a finding of no probable cause is made by a judge trial referee not  
740 later than thirty days after receipt or issuance of any complaint under  
741 this subsection, any alleged violation contained in such complaint shall  
742 be dismissed by the judge trial referee and no further action shall be  
743 taken by the commission on such allegation.

744 (b) If [a preliminary investigation indicates] such judge trial referee  
745 finds that probable cause exists for the violation of a provision of this  
746 part, the commission shall initiate hearings to determine whether there  
747 has been a violation of this part. [A] Such judge trial referee, [who shall  
748 be assigned by the Chief Court Administrator and who shall be  
749 compensated in accordance with section 52-434 out of funds available  
750 to the commission,] shall preside over such hearing and shall rule on  
751 all matters concerning the application of the rules of evidence, which  
752 shall be the same as in judicial proceedings. The trial referee shall have  
753 no vote in any decision of the commission. All hearings of the  
754 commission held pursuant to this subsection shall be open. At such  
755 hearing, the commission shall have the same powers as a judge trial  
756 referee under subsection (a) of this section and the respondent shall  
757 have the right to be represented by legal counsel, the right to compel  
758 attendance of witnesses and the production of books, documents,  
759 records and papers and to examine and cross-examine witnesses. Not  
760 later than ten days prior to the commencement of any hearing  
761 conducted pursuant to this subsection, the commission shall provide  
762 the respondent with a list of its intended witnesses. The judge trial  
763 referee shall, while engaged in the discharge of his duties as provided  
764 in this subsection, have the same authority as is provided in section 51-  
765 35 over witnesses who refuse to obey a subpoena or to testify with  
766 respect to any matter upon which such witness may be lawfully  
767 interrogated, and may commit any such witness for contempt for a  
768 period no longer than thirty days. The commission shall make a record  
769 of all proceedings pursuant to this subsection. The commission shall  
770 find no person in violation of any provision of this part except upon



771 the concurring vote of [six] two-thirds of its members present and  
772 voting. Such finding may not be made later than ninety days after any  
773 finding of probable cause by a judge trial referee. Not later than fifteen  
774 days after the public hearing conducted in accordance with this  
775 subsection, the commission shall publish its finding and a  
776 memorandum of the reasons therefor. Such finding and memorandum  
777 shall be deemed to be the final decision of the commission on the  
778 matter for the purposes of chapter 54. The respondent, if aggrieved by  
779 the finding and memorandum, may appeal therefrom to the Superior  
780 Court in accordance with the provisions of section 4-183.

781 Sec. 17. Subsection (a) of section 1-93a of the general statutes is  
782 repealed and the following is substituted in lieu thereof (*Effective July*  
783 *1, 2005*):

784 (a) Unless [the commission] a judge trial referee makes a finding of  
785 probable cause, a complaint alleging a violation of this part shall be  
786 confidential except upon the request of the respondent. A commission  
787 evaluation of a possible violation of this part undertaken prior to a  
788 complaint being filed by the commission shall be confidential except  
789 upon the request of the subject of the evaluation. If the evaluation is  
790 confidential, any information supplied to or received from the  
791 commission shall not be disclosed to any third party by a subject of the  
792 evaluation, a person contacted for the purpose of obtaining  
793 information or by a commission or staff member. No provision of this  
794 subsection shall prevent the [Ethics] Commission on Public Integrity  
795 from reporting the possible commission of a crime to the Chief State's  
796 Attorney or other prosecutorial authority.

797 Sec. 18. Section 1-96c of the general statutes is repealed and the  
798 following is substituted in lieu thereof (*Effective July 1, 2005*):

799 On and after January 1, 1999, the [State Ethics] Commission on  
800 Public Integrity shall make all computerized data from financial  
801 reports required by section 1-96 available to the public through (1) a  
802 computer terminal in the office of the commission, and (2) the Internet

803 or any other generally available on-line computer network.

804 Sec. 19. Section 1-96e of the general statutes is repealed and the  
805 following is substituted in lieu thereof (*Effective July 1, 2005*):

806 Each registrant who pays or reimburses a public official or state  
807 employee ten dollars or more for necessary expenses, as defined in  
808 section 1-79, as amended by this act, shall, within thirty days, file a  
809 statement with the [State Ethics] Commission on Public Integrity  
810 indicating the name of such individual and the amount of the  
811 expenses.

812 Sec. 20. Section 4-9a of the general statutes is repealed and the  
813 following is substituted in lieu thereof (*Effective July 1, 2005*):

814 (a) The Governor shall appoint the chairperson and executive  
815 director, if any, of all boards and commissions within the Executive  
816 Department, except the Board of Governors of Higher Education,  
817 provided the Governor shall appoint the initial chairman of said board  
818 as provided in section 10a-2, the State Properties Review Board, the  
819 State Elections Enforcement Commission, the Commission on Human  
820 Rights and Opportunities, the [State Ethics] Commission on Public  
821 Integrity, the Commission on Aging and the Commission on Fire  
822 Prevention and Control.

823 (b) Public members shall constitute not less than one-third of the  
824 members of each board and commission within the Executive  
825 Department, except the Gaming Policy Board and the Commission on  
826 Human Rights and Opportunities. Public member means an elector of  
827 the state who has no substantial financial interest in, is not employed  
828 in or by, and is not professionally affiliated with, any industry,  
829 profession, occupation, trade or institution regulated or licensed by the  
830 relevant board or commission, and who has had no professional  
831 affiliation with any such industry, profession, occupation, trade or  
832 institution for three years preceding his appointment to the board or  
833 commission. Except as otherwise specifically provided by the general  
834 statutes, this section shall not apply to the Commission on Fire

835 Prevention and Control, boards and commissions the membership of  
836 which is entirely composed of state department heads, elected officials  
837 or deputies appointed by such department heads or where the  
838 membership of such board or commission is determined in accordance  
839 with the provisions of any federal law.

840 (c) Notwithstanding any provision of law to the contrary, the term  
841 of each member of each board and commission within the executive  
842 branch, except the State Board of Education, the Board of Governors of  
843 Higher Education, the Gaming Policy Board, the Commission on  
844 Human Rights and Opportunities, the State Elections Enforcement  
845 Commission, the State Properties Review Board, the [State Ethics]  
846 Commission on Public Integrity, the Commission on Medicolegal  
847 Investigations, the Psychiatric Security Review Board, the Commission  
848 on Fire Prevention and Control, the E 9-1-1 Commission, the  
849 Connecticut Commission on Culture and Tourism, the Commission on  
850 Aging, the board of trustees of each constituent unit of the state system  
851 of higher education and the Board of Pardons and Paroles,  
852 commencing on or after July 1, 1979, shall be coterminous with the  
853 term of the Governor or until a successor is chosen whichever is later.

854 (d) Each member of each board and commission within the  
855 executive branch shall serve at the pleasure of the appointing authority  
856 except where otherwise specifically provided by any provision of the  
857 general statutes.

858 Sec. 21. Subsection (a) of section 4b-4 of the general statutes is  
859 repealed and the following is substituted in lieu thereof (*Effective July*  
860 *1, 2005*):

861 (a) No employee of the Properties Review Board shall hold another  
862 state or municipal position, nor shall any such employee or any  
863 nonclerical employee in the unit in the Department of Public Works  
864 which is responsible for acquiring, leasing and selling real property on  
865 behalf of the state, be directly involved in any enterprise which does  
866 business with the state or be directly or indirectly involved in any

867 enterprise concerned with real estate acquisition or development. Each  
868 member and employee of the State Properties Review Board shall file,  
869 with the board and with the [State Ethics] Commission on Public  
870 Integrity, and each such employee of the department shall file, with  
871 the department and with the [State Ethics] Commission on Public  
872 Integrity, a financial statement indicating all sources of business  
873 income of such person in excess of one thousand dollars, and the name  
874 of any business with which he is associated, which shall have the same  
875 meaning as defined in section 1-79, as amended by this act. Such  
876 statement shall be a public record. Financial statements for the  
877 preceding calendar year shall be filed with the commission on or  
878 before April fifteenth of each year if the employee or member held  
879 such a position during the preceding calendar year.

880 Sec. 22. Subsection (b) of section 5-266a of the general statutes is  
881 repealed and the following is substituted in lieu thereof (*Effective July*  
882 *1, 2005*):

883 (b) A person employed in said classified service or Judicial  
884 Department retains the right to vote as he chooses and to express his  
885 opinions on political subjects and candidates and shall be free to  
886 participate actively in political management and campaigns. Such  
887 activity may include but shall not be limited to, membership and  
888 holding of office in a political party, organization or club, campaigning  
889 for a candidate in a partisan election by making speeches, writing on  
890 behalf of the candidate or soliciting votes in support of or in opposition  
891 to a candidate and making contributions of time and money to political  
892 parties, committees or other agencies engaged in political action,  
893 except that no such employee shall engage in such activity while on  
894 duty or within any period of time during which such employee is  
895 expected to perform services for which he receives compensation from  
896 the state, and no such employee shall utilize state funds, supplies,  
897 vehicles, or facilities to secure support for or oppose any candidate,  
898 party, or issue in a political partisan election. Notwithstanding the  
899 provisions of this subsection, any person employed in the classified  
900 state service or in the Judicial Department may be a candidate for a

901 state or municipal office, in any political partisan election. No person  
 902 seeking or holding municipal office or seeking state office in  
 903 accordance with the provisions of this subsection shall engage in  
 904 political activity or in the performance of the duties of such office  
 905 while on state duty or within any period of time during which such  
 906 person is expected to perform services for which such person receives  
 907 compensation from the state. The [State Ethics] Commission on Public  
 908 Integrity shall establish by regulation definitions of conflict of interest  
 909 which shall preclude persons in the classified state service or in the  
 910 Judicial Department from holding elective office.

911 Sec. 23. Section 3-13l of the general statutes is repealed and the  
 912 following is substituted in lieu thereof (*Effective July 1, 2005*):

913 (a) No person may, directly or indirectly, pay a finder's fee to any  
 914 person in connection with any investment transaction involving the  
 915 state, any quasi-public agency, as defined in section 1-120, or any  
 916 political subdivision of the state. No person may, directly or indirectly,  
 917 receive a finder's fee in connection with any investment transaction  
 918 involving the state, any quasi-public agency, as defined in section 1-  
 919 120, or any political subdivision of the state.

920 (b) For purposes of this section:

921 (1) "Finder's fee" means compensation in the form of cash, cash  
 922 equivalents or other things of value paid to or received by a third party  
 923 in connection with an investment transaction to which the state, any  
 924 political subdivision of the state or any quasi-public agency, as defined  
 925 in section 1-120, is a party for any services, and includes, but is not  
 926 limited to, any fee paid for lobbying, as defined in subsection (k) of  
 927 section 1-91, and as defined by the [Ethics] Commission on Public  
 928 Integrity, in consultation with the Treasurer, in the regulations  
 929 adopted under subparagraph (C)(ii) of subdivision (3) of this  
 930 subsection or as prescribed by the Treasurer until such regulations are  
 931 adopted.

932 (2) "Finder's fee" does not mean (A) (i) compensation earned for the

933 rendering of investment services, as defined in subsection (f) of section  
 934 9-333n, or for acting as a licensed real estate broker or real estate sales  
 935 person under the provisions of section 20-312, or under a comparable  
 936 statute of the jurisdiction in which the subject property is located, or  
 937 (ii) marketing fees or due diligence fees earned by the payee in  
 938 connection with the offer, sale or purchase of any security or  
 939 investment interest, in accordance with criteria prescribed under  
 940 [subparagraph (ii) of] subparagraph (C)(ii) of subdivision (3) of this  
 941 subsection, (B) compensation paid to (i) persons who are investment  
 942 professionals engaged in the ongoing business of representing  
 943 investment services providers, or (ii) third parties for services  
 944 connected to the issuance of debt by the state, any political subdivision  
 945 of the state or any quasi-public agency, as defined in section 1-120, and  
 946 (C) any compensation which is so defined by the regulations adopted  
 947 under subparagraph (C)(ii) of subdivision (3) of this subsection, or any  
 948 compensation which meets criteria prescribed by the Treasurer until  
 949 such regulations are adopted. As used in this section, "offer" and "sale"  
 950 have the meaning provided in section 36b-3.

951 (3) "Investment professional" means an individual or firm whose  
 952 primary business is bringing together institutional funds and  
 953 investment opportunities and who (A) is a broker-dealer or investment  
 954 adviser agent licensed or registered (i) under the Connecticut Uniform  
 955 Securities Act; (ii) in the case of an investment adviser agent, with the  
 956 Securities and Exchange Commission, in accordance with the  
 957 Investment Advisors' Act of 1940; or (iii) in the case of a broker-dealer,  
 958 with the National Association of Securities Dealers in accordance with  
 959 the Securities Exchange Act of 1934, or (B) is licensed under section 20-  
 960 312, or under a comparable statute of the jurisdiction in which the  
 961 subject property is located, or (C) (i) furnishes an investment manager  
 962 with marketing services including, but not limited to, developing an  
 963 overall marketing strategy focusing on more than one institutional  
 964 fund, designing or publishing marketing brochures or other  
 965 presentation material such as logos and brands for investment  
 966 products, responding to requests for proposals, completing due

967 diligence questionnaires, identifying a range of potential investors, or  
968 such other services as may be identified in regulations adopted under  
969 subparagraph (ii) of this subparagraph and (ii) meets criteria  
970 prescribed (I) by the Treasurer until regulations are adopted under this  
971 subparagraph, or (II) by the [Ethics] Commission on Public Integrity,  
972 in consultation with the Treasurer, in regulations adopted in  
973 accordance with the provisions of chapter 54. Prior to adopting such  
974 regulations, the [Ethics] Commission on Public Integrity shall transmit  
975 the proposed regulations to the Treasurer not later than one hundred  
976 twenty days before any period for public comment on such regulations  
977 commences and shall consider any comments or recommendations the  
978 Treasurer may have regarding such regulations. In developing such  
979 regulations, the commission shall ensure that the state will not be  
980 competitively disadvantaged by such regulations relative to any  
981 legitimate financial market.

982 (c) Any person who violates any provision of this section shall be  
983 liable for a civil penalty of not less than the amount of the fee paid or  
984 received in violation of this section and not more than three times said  
985 amount.

986 (1) The Attorney General, upon complaint of the Treasurer or the  
987 [Ethics] Commission on Public Integrity, may bring an action in the  
988 superior court for the judicial district of Hartford to recover such  
989 penalty for a violation of this section which affects a fund of the state.  
990 Any penalty imposed under this section for a violation which affects  
991 any such fund shall be paid to the Treasurer who shall deposit such  
992 moneys in such fund.

993 (2) Any political subdivision of the state may bring an action in the  
994 superior court to recover such penalty for a violation of this section  
995 which affects any fund under the control of such subdivision. Any  
996 penalty imposed under this section for a violation which affects any  
997 such fund shall be paid to such subdivision which shall deposit such  
998 moneys in such fund.

999 (3) Any quasi-public agency, as defined in section 1-120, may bring  
 1000 an action in the superior court to recover such penalty for a violation of  
 1001 this section which affects any fund under the control of such agency.  
 1002 Any penalty imposed under this section for a violation which affects  
 1003 any such fund shall be paid to such agency which shall deposit such  
 1004 moneys in such fund.

1005 Sec. 24. (NEW) (*Effective July 1, 2005*) The Chief Court Administrator  
 1006 shall select not fewer than five judge trial referees who shall fulfill any  
 1007 duty required of a judge trial referee pursuant to chapter 10 of the  
 1008 general statutes, as amended by this act.

1009 Sec. 25. (NEW) (*Effective from passage*) Not later than July 1, 2005, the  
 1010 Commissioner of Administrative Services shall reassign all staff  
 1011 members of the State Ethics Commission, as of the effective date of this  
 1012 section to equivalent positions in other agencies of the state. Such  
 1013 commissioner shall not require the Commission on Public Integrity, as  
 1014 established in section 2 of this act, to employ any former employee of  
 1015 the State Ethics Commission.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2005</i>	1-79(d)
Sec. 2	<i>July 1, 2005</i>	New section
Sec. 3	<i>July 1, 2005</i>	1-80
Sec. 4	<i>July 1, 2005</i>	1-81
Sec. 5	<i>July 1, 2005</i>	1-81a
Sec. 6	<i>July 1, 2005</i>	1-81b
Sec. 7	<i>July 1, 2005</i>	1-82
Sec. 8	<i>July 1, 2005</i>	1-82a(a)
Sec. 9	<i>July 1, 2005</i>	1-83
Sec. 10	<i>July 1, 2005</i>	1-84b
Sec. 11	<i>July 1, 2005</i>	1-86(c)
Sec. 12	<i>July 1, 2005</i>	1-86d
Sec. 13	<i>July 1, 2005</i>	1-89a
Sec. 14	<i>July 1, 2005</i>	1-91(c)
Sec. 15	<i>July 1, 2005</i>	1-92(5)



Sec. 16	<i>July 1, 2005</i>	1-93(a) and (b)
Sec. 17	<i>July 1, 2005</i>	1-93a(a)
Sec. 18	<i>July 1, 2005</i>	1-96c
Sec. 19	<i>July 1, 2005</i>	1-96e
Sec. 20	<i>July 1, 2005</i>	4-9a
Sec. 21	<i>July 1, 2005</i>	4b-4(a)
Sec. 22	<i>July 1, 2005</i>	5-266a(b)
Sec. 23	<i>July 1, 2005</i>	3-13l
Sec. 24	<i>July 1, 2005</i>	New section
Sec. 25	<i>from passage</i>	New section

**GAE**      *Joint Favorable Subst.*

**JUD**      *Joint Favorable*